

REPORT OF THE AUDIT DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2001-001-E
CAROLINA POWER & LIGHT COMPANY

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ANALYSIS

The Audit Department Staff has made an examination of the books and records of Carolina Power & Light Company (hereinafter referred to as "the Company") relative to the Commission's requirement under Docket No. 2001-001-E, that periodic hearings be conducted before the Commission concerning the Adjustment of Base Rates for Fuel Costs.

The current investigation of the Company's Retail Fuel Adjustment Clause covered the period of January 2000 through March 2001. Since the current hearing is scheduled for March 2001, Staff's audit consisted of actual fuel costs for the period January 2000 through December 2000 and projected fuel costs for January, February and March 2001. Staff's computations of the Deferred Fuel Entries (Exhibit G) for the months of January, February and March 2001 were estimated for the purpose of adjusting base rates effective April 1, 2001. The January, February and March 2001 estimates will be trued-up in the Company's next hearing.

The Audit Department Staff's examination consisted of the following:

1. Analysis of the Fuel Stock Account—Account #151
2. Sample of Receipts to the Fuel Stock Account – Account # 151
3. Verification of Charges to Nuclear Fuel Expense – Account # 518
4. Verification of Purchased Power and Interchange (Net)
5. Verification of KWH Sales
6. Comparison of Coal Costs
7. Recomputation of Fuel Costs Adjustment Factor and Verification of Unbilled Revenue
8. Recomputation of True-up for (Over) Under-Recovered Fuel Costs
9. Analysis of Spot Coal Purchasing Procedures

ANALYSIS OF FUEL STOCK ACCOUNT-- ACCOUNT # 151

Staff's analysis of the Fuel Stock Account consisted of tracing receipts to and issues from the fuel management system to the General Ledger, reviewing monthly journal entries originating in fuel accounting, and ensuring that only proper charges are entered in the Company's computation of fuel costs for purposes of adjusting base rates for fuel costs.

SAMPLE OF RECEIPTS TO THE FUEL STOCK ACCOUNT – ACCOUNT # 151

Staff's sample of receipts to the Fuel Stock Account consisted of randomly selecting transactions, tracing each of these transactions to a waybill and a

purchase order for documentation purposes, and recalculating the transactions to insure mathematical correctness.

**VERIFICATION OF CHARGES TO NUCLEAR FUEL EXPENSE –
ACCOUNT # 518**

Staff verified expense amounts to the Company's General Ledger. The expenses were also verified to the monthly fuel reports filed by the Company with this Commission.

ANALYSIS OF PURCHASED POWER AND INTERCHANGE (NET)

Staff performed an examination of the company's purchased power and interchange (net) amount used in the Fuel Adjustment Clause (FAC) for the period January 2000 through December 2000.

Staff obtained the detail of the purchases and sales made by Carolina Power and Light Company to and from other electric utilities. Staff verified the amounts that are being used in computing total fuel costs for each month. This detail allowed the Staff to identify all fuel costs that are being passed through the clause in computing the factor above or below base for each period. See Staff's Exhibit F for details.

Furthermore, PSC Order No. 90-961, Docket No. 90-004-E, dated October 18, 1990, directed Staff to examine the Company's nonfirm, off-system sales. Accordingly, Staff traced the sales and purchases transactions for January 2000 through December 2000 to the Company's sales and purchases monthly invoices. Staff recomputed all of the sales and purchases.

In accordance with Public Service Commission Order No. 90-961, Docket No. 90-004-E, dated October 18, 1990, Staff will continue to review the Company's nonfirm, off-system transactions during future audits.

VERIFICATION OF KWH SALES

The Audit Department Staff reconciled the KWH sales as reported to the Commission through monthly fuel adjustment filings.

COMPARISON OF COAL COSTS

Staff prepared exhibits from Carolina Power and Light Company's books and records reflecting coal costs during the review period. Specifically, these exhibits are as follows:

Exhibit A – COAL COST STATISTICS

Exhibit B – RECEIVED COAL – COST PER TON (PER PLANT)

Exhibit C – RECEIVED COAL – COST PER TON COMPARISON

With reference to Exhibit A, Coal Cost Statistics, Staff has shown a detailed analysis of spot and contract coal for the twelve (12) months ended December 2000. Also, in Exhibit A, the Weighted Average of Coal Received is reflected for the twelve-month period. Total costs for the twelve-month period were divided by the total tons for the twelve-month period in arriving at the average.

In Exhibit B, Received Coal-Cost Per Ton (Per Plant), Staff reflects the overall cost per ton of coal by month per plant.

In Exhibit C, Received Coal-Cost Per Ton Comparison, Staff reflects the overall cost per ton of coal by month for the three major electric utilities regulated by this Commission.

RECOMPUTATION OF FUEL COSTS ADJUSTMENT FACTOR AND VERIFICATION OF UNBILLED REVENUES

Staff recomputed the Fuel Costs Adjustment Factor for the months of January 2000 through December 2000.

RECOMPUTATION OF TRUE-UP FOR (OVER) UNDER-RECOVERED FUEL COSTS

Staff analyzed the cumulative under-recovery of fuel costs that the Company had incurred for the period January 2000 through December 2000 totaling \$18,627,471. Staff added the projected over-recovery of \$73,810 for the month of January 2001, the projected over-recovery of \$348,034 for the month of February 2001, and the projected over-recovery of \$225,990 for the month of March 2001 to arrive at a cumulative under-recovery of \$17,979,637 as of March 2001. The Company's cumulative under-recovery, per its testimony in Docket No. 2001-001-E, as of December 2000 totals \$19,014,636 and as of March 2001, the cumulative under-recovery totals \$18,366,803. The difference between the Company and the Staff's cumulative under-recovery as of actual December 2000 is \$387,165, and the difference as of estimated March 2001 is \$387,166 (the difference between the respective cumulative differences is based on rounding). The cumulative difference as of December 2000 of \$387,165 is based on Staff's calculation adjustments to the Purchased Power Costs for January 2000 through

December 2000 (per Staff's report), after Staff reviewed the Company's Purchased Power invoices and reports.

As stated in Carolina Power & Light Company's S.C. Retail Adjustment for Fuel Costs Rider, fuel costs will be included in base rates to the extent determined reasonable and proper by the Commission.

Accordingly, the Commission should consider the under-recovery of \$17,979,637 along with the anticipated fuel costs for the period April 1, 2001 through March 31, 2002 for the purpose of determining the base cost of fuel in base rates effective April 1, 2001. The \$17,979,637 under-recovery figure was provided to the Commission's Utilities Department.

ANALYSIS OF SPOT COAL PURCHASING PROCEDURES

The Audit Staff examined the procedure followed by the Company's fossil fuel area, Electric Fuels-Carolina, for obtaining and accepting bids on spot coal. Electric Fuels-Carolina maintains a list of coal vendors (suppliers) from whom bids are solicited as needed. When bids are requested, Carolina Power & Light Company's spot coal purchasing personnel mails each of these coal vendors a Coal Quotation Form and letter requesting bids. In order for a coal vendor's name to be on this mailing list, the coal vendor must have completed the Supplier Capability Report and must possess the necessary financial, technical, and business resources to supply coal consistent with Carolina Power & Light Company's requirements.

The Coal Quotation Forms provide such information as the name of the coal company (the supplier), the name of the producer, the name of the mine, the

number of tons offered, coal specifications, price per ton, the month the shipment will be made, mining methods of the producer and shipping transportation data. It should be noted that these solicitation letters and Coal Quotation Forms, based on whether a coal vendor has any spot coal to sell, are sent to the suppliers when there are near-term needs for coal.

If the Company decides to purchase spot coal in a given month, after reviewing their spot coal requirements, then all the bids received are evaluated. The Company normally requires all bids to be made on Coal Quotation Forms. For evaluation purposes, the spot coal quotations are evaluated in a coal quality impact model that examines cost impacts related to boiler efficiency, fuel handling and ash handling. Then a Coal Eval Program computer run, which statistically compiles the quotation data, is used by the Company to adhere to sulfur limitations imposed by State and Federal regulations, as well as to exclude any coal that may exceed other environmental and generating unit constraints. The Eval Program helps to prevent the purchase of any coal with an evaluated historical level that could result in a violation.

The Company's coal procurement personnel consider at least three factors when they evaluate the spot coal bids: (a) the price per ton (including freight), (b) the BTU, ash, moisture, volatiles, grindability, ash softening temperature, and sulfur content of the coal offered and (c) the past performance of the supplier and coal obtained from the producer. The Company's coal procurement personnel determine the current market price for spot coal prior to negotiating with the coal vendors over their bids. In this way, the coal

procurement personnel determine the limits they should stay within when bargaining for coal. The coal procurement personnel bargain over the price of the coal as well as other possible terms and conditions of a prospective purchase, and either accepts or rejects the coal vendor's offer, or the Company may make a counter-offer to the vendor's offer.

Upon agreement on a spot coal purchase, Electric Fuels-Carolina prepares a purchase letter, which documents the terms and conditions of the purchase. The coal vendor is faxed a copy of the purchase letter. When the coal is received at the plant, the Company samples and analyzes each spot coal shipment for BTU, ash, moisture and sulfur content, and periodically analyzes coal for volatiles, grindability, and ash softening temperature. The coal analysis results are entered into the computerized Fuel Management System, which is used by Electric Fuels-Carolina to monitor coal receipts and to process coal payments. The appropriate premium or penalty on the coal purchased is determined by Electric Fuels-Carolina through the Fuel Management System which adds a premium or assesses a penalty to the total amount due to the coal vendor, and the results are forwarded to the Company's Accounting Department. Electric Fuels-Carolina closely monitors the quality of coal shipped by various producers. If a certain producer renders poor performance, the coal procurement personnel consider this when analyzing any future offers received from the supplier.

The Company's spot coal requirements are obtained through short-term commitments with terms that may range from one month to twelve months duration.

During the period January 2000 through December 2000, the Company, after a review of its inventory needs, determined that approximately 1,045,000 tons of spot coal would be required. The actual amount of spot coal received for this period is reflected in Staff's Exhibit A.

EXHIBITS

The Audit Department Staff's exhibits relative to this proceeding are identified as follows:

EXHIBIT A: COAL COST STATISTICS (AND WEIGHTED AVERAGE OF COAL RECEIVED)

In Exhibit A, Coal Cost Statistics, Staff compares spot and contract coal received for the period January 2000 through December 2000. The comparison is made in five (5) areas as follows;

- (1) Tons Received
- (2) Percentage of Total Tons Received
- (3) Received Cost Per Ton
- (4) Total Received Cost
- (5) Cost Per MBTU

This exhibit also reflects the total spot and contract tons received during the period January 2000 through December 2000. Staff has taken the total received cost for the twelve (12) months and divided this by the total tons for the

twelve (12) months in arriving at a Weighted Average Cost per ton for the twelve (12)-month period.

EXHIBIT B: RECEIVED COAL-COST PER TON (PER PLANT)

This exhibit reflects the received cost per ton by month for each of Carolina Power and Light Company's plants.

EXHIBIT C: RECEIVED COAL-COST PER TON COMPARISON

In Exhibit C, Received Coal-Cost Per Ton, Staff has made a comparison of received coal-cost per ton for Carolina Power & Light Company, Duke Power Company and South Carolina Electric & Gas Company. The costs per ton reflected for the coal purchases were extracted from fuel costs data from all three major electric utilities.

EXHIBIT D: COAL FUEL STOCKS—NUMBER OF DAYS OF SUPPLY (ALL PLANTS)

This exhibit reflects Carolina Power & Light Company's coal inventory in terms of tons received, consumed, and on hand at the end of the month. The number of days of supply is also shown.

EXHIBIT E: TOTAL BURNED COST (FOSSIL AND NUCLEAR)

This exhibit shows fuel costs burned by type during the period January 2000 through December 2000, including emission allowance costs.

EXHIBIT F: COST OF FUEL

In Exhibit F, Staff has computed the total fuel cost applicable to the factor computation. There are three (3) components used in arriving at this cost. These components are as follows:

- (1) Cost of Fuel Burned
- (2) Purchase and Interchange Power Cost
- (3) Authorized Adjustments

Cost of Fuel Burned – This amount is the burned cost of all fossil and nuclear fuel burned during the period. The costs associated with emission allowances are also reflected. A detail breakdown of coal, oil, gas, emission allowances and nuclear fuel can be seen in Exhibit E.

Purchase and Interchange Power Fuel Cost – This amount is the monthly kilowatt hours delivered to or received by one electric utility from another electric utility.

Authorized Adjustments – These are amounts decreasing the total fuel cost as authorized by regulatory agencies.

Total fuel cost applicable to the factor is computed by adding cost of fuel burned to purchase and interchange power and authorized adjustments.

EXHIBIT G: S.C. FUEL COSTS COMPUTATION

Shown in this exhibit are the actual costs for January 2000 through December 2000 and the estimated fuel costs for January, February and March 2001.

Based on the Audit Staff's examination of Carolina Power & Light Company's books and records, a comparison of fuel costs among utilities and the utilization of the fuel costs recovery mechanism as directed by this Commission, the Audit Staff is of the opinion that the Company has complied with the directives of the Commission.

**CAROLINA POWER AND LIGHT COMPANY
COAL COST STATISTICS
JANUARY 2000 - DECEMBER 2000**

SPOT

<u>MONTH</u>	<u>TONS RECEIVED</u>	<u>PERCENTAGE</u>	<u>COST/TON RECEIVED</u>	<u>TOTAL RECEIVED COST</u>	<u>\$/MBTU</u>
	<u>TONS</u>	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Jan-00	39,496.13	4.11%	30.39	1,200,108.47	1.2526
Feb-00	9,846.53	1.04%	27.00	265,873.24	1.1813
Mar-00	94,549.44	8.73%	32.35	3,058,859.18	1.2654
Apr-00	28,839.36	3.04%	31.44	906,776.23	1.2550
May-00	63,570.50	5.89%	33.68	2,141,173.17	1.3234
Jun-00	29,612.43	3.04%	33.77	1,000,029.48	1.3388
Jul-00	35,535.78	4.14%	33.81	1,201,389.09	1.3562
Aug-00	106,674.81	10.34%	32.06	3,419,942.28	1.3005
Sep-00	125,180.56	13.39%	31.05	3,886,402.76	1.2525
Oct-00	175,350.20	19.18%	32.26	5,656,091.18	1.3036
Nov-00	217,523.99	22.68%	33.70	7,329,969.50	1.3638
Dec-00	158,281.27	18.25%	34.11	5,399,757.00	1.3659
Totals (1/00 - 12/00)	<u>1,084,461.00</u>			<u>35,466,371.58</u>	

CONTRACT

<u>MONTH</u>	<u>TONS RECEIVED</u>	<u>PERCENTAGE</u>	<u>COST/TON RECEIVED</u>	<u>TOTAL RECEIVED COST</u>	<u>\$/MBTU</u>
	<u>TONS</u>	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Jan-00	921,806.26	95.89%	42.13	38,835,397.74	1.6708
Feb-00	939,676.50	98.96%	42.29	39,741,571.31	1.6821
Mar-00	988,294.97	91.27%	42.07	41,582,131.13	1.7005
Apr-00	920,628.21	96.96%	41.69	38,377,115.01	1.6701
May-00	1,014,880.43	94.11%	42.58	43,211,899.69	1.6895
Jun-00	944,817.95	96.96%	43.09	40,712,030.25	1.7416
Jul-00	822,104.18	95.86%	43.85	36,048,930.11	1.7582
Aug-00	924,966.36	89.66%	42.74	39,530,880.36	1.7283
Sep-00	809,963.78	86.61%	42.70	34,586,360.95	1.7158
Oct-00	736,985.95	80.82%	43.21	31,928,337.58	1.7454
Nov-00	741,587.71	77.32%	43.05	31,922,128.47	1.7418
Dec-00	708,907.71	81.75%	43.21	30,634,364.38	1.7467
Totals (1/00 - 12/00)	<u>10,476,620.01</u>			<u>447,111,146.98</u>	

COMBINED

<u>MONTH</u>	<u>TONS RECEIVED</u>	<u>PERCENTAGE</u>	<u>COST/TON RECEIVED</u>	<u>TOTAL RECEIVED COST</u>	<u>\$/MBTU</u>
	<u>TONS</u>	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Jan-00	961,302.39	100.00%	41.65	40,035,506.21	1.6542
Feb-00	949,523.03	100.00%	42.14	40,007,444.55	1.6774
Mar-00	1,082,844.41	100.00%	41.23	44,640,990.31	1.6613
Apr-00	949,467.57	100.00%	41.37	39,283,891.24	1.6575
May-00	1,078,450.93	100.00%	42.06	45,353,072.86	1.6677
Jun-00	974,430.38	100.00%	42.80	41,712,059.73	1.7291
Jul-00	857,639.96 (1)	100.00%	43.43 (1)	37,250,319.20	1.7415
Aug-00	1,031,641.17	100.00%	41.63	42,950,822.64	1.6842
Sep-00	935,144.34	100.00%	41.14	38,472,763.71	1.6540
Oct-00	914,336.15	100.00%	41.11	37,584,428.76	1.6607
Nov-00	959,111.70	100.00%	40.92	39,252,097.97	1.6561
Dec-00	867,188.98	100.00%	41.55	36,034,121.38	1.6767
Totals (1/00 - 12/00)	<u>11,561,081.01</u>			<u>482,577,518.56</u>	

Total Received Cost = 482,577,518.56 = \$ 41.74
 Total Tons Received 11,561,081.01

(1) Before Aerial Survey Inventory Adjustment

AUDIT EXHIBIT B

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL-COST PER TON (PER PLANT)
JANUARY 2000 - DECEMBER 2000

PLANT	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPE FEAR	37.64	43.92	41.74	42.69	46.24	38.00	36.84	36.85	40.36	37.16	39.48	38.11
WEATHERSPOON	49.27	49.24	49.58	44.18	47.71	48.19	47.09	45.51	45.31	44.15	44.09	45.72
LEE	48.52	50.25	43.50	45.01	45.74	44.09	47.19	44.98	43.52	45.18	46.01	45.56
SUTTON	46.05	44.12	47.58	43.19	47.45	51.32	48.37	47.89	46.10	44.94	40.77	43.18
ROBINSON	52.28	50.69	47.22	49.92	43.73	40.72	41.53	35.58	39.20	0.00	0.00	39.26
ASHEVILLE	39.89	37.88	36.72	37.21	36.71	44.46	45.75	43.60	44.06	42.83	40.08	42.00
ROXBORO 1-3	40.69	40.85	40.44	41.50	41.07	42.47	42.27	40.55	39.72	40.31	41.36	42.24
ROXBORO 4	39.04	39.91	44.63	39.41	37.39	39.81	39.22	39.61	39.35	39.78	39.52	39.59
MAYO	39.69	42.23	38.75	38.76	39.37	40.95	40.06	40.14	39.92	40.02	39.36	40.03
TOTAL	41.65	42.14	41.23	41.37	42.06	42.80	43.43	41.63	41.14	41.11	40.92	41.55

AUDIT EXHIBIT C

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL-COST PER TON COMPARISON
JANUARY 2000 - DECEMBER 2000

CAROLINA POWER & LIGHT COMPANY

FREIGHT

<u>MONTH</u>	<u>INVOICE COST</u> <u>PER TON</u> \$	<u>COST PER</u> <u>TON</u> \$	<u>TOTAL COST</u> <u>PER TON</u> \$	<u>COST PER</u> <u>MBTU</u> \$
Jan-00	31.26	10.39	41.65	1.6542
Feb-00	31.46	10.68	42.14	1.6774
Mar-00	31.15	10.08	41.23	1.6613
Apr-00	30.49	10.88	41.37	1.6575
May-00	31.40	10.66	42.06	1.6677
Jun-00	31.08	11.72	42.80	1.7291
Jul-00	31.13	12.30	43.43	1.7415
Aug-00	30.08	11.55	41.63	1.6842
Sep-00	29.78	11.36	41.14	1.6540
Oct-00	29.48	11.63	41.11	1.6607
Nov-00	29.51	11.41	40.92	1.6561
Dec-00	30.06	11.49	41.55	1.6767

DUKE POWER COMPANY

FREIGHT

<u>MONTH</u>	<u>INVOICE COST</u> <u>PER TON</u> \$	<u>COST PER</u> <u>TON</u> \$	<u>TOTAL COST</u> <u>PER TON</u> \$	<u>COST PER</u> <u>MBTU</u> \$
Jan-00	24.84	10.06	34.90	1.3995
Feb-00	23.08	10.07	33.15	1.3302
Mar-00	23.19	10.09	33.28	1.3466
Apr-00	22.81	10.16	32.97	1.3263
May-00	23.59	10.38	33.97	1.3542
Jun-00	23.47	10.32	33.79	1.3621
Jul-00	24.43	10.14	34.57	1.3993
Aug-00	23.72	10.30	34.02	1.3695
Sep-00	23.80	10.40	34.20	1.3801
Oct-00	23.81	10.10	33.91	1.3605
Nov-00	24.22	10.20	34.42	1.3833
Dec-00	23.60	10.37	33.97	1.3745

SOUTH CAROLINA ELECTRIC & GAS COMPANY

FREIGHT

<u>MONTH</u>	<u>INVOICE COST</u> <u>PER TON</u> \$	<u>COST PER</u> <u>TON</u> \$	<u>TOTAL COST</u> <u>PER TON</u> \$	<u>COST PER</u> <u>MBTU</u> \$
Jan-00	25.21	13.12	38.33	1.5026
Feb-00	25.15	12.38	37.53	1.4839
Mar-00	24.82	12.73	37.55	1.4737
Apr-00	24.93	12.81	37.74	1.4908
May-00	25.14	12.50	37.64	1.4663
Jun-00	25.61	12.84	38.45	1.4969
Jul-00	25.45	12.10	37.55	1.4749
Aug-00	24.71	12.72	37.43	1.4733
Sep-00	24.66	12.72	37.38	1.4615
Oct-00	24.88	12.45	37.33	1.4505
Nov-00	25.52	12.23	37.75	1.4821
Dec-00	24.86	12.05	36.91	1.4484

AUDIT EXHIBIT D

CAROLINA POWER & LIGHT COMPANY
COAL FUEL STOCKS - NUMBER OF DAYS OF SUPPLY (ALL PLANTS)
JANUARY 2000 - DECEMBER 2000

<u>MONTH</u>	<u>TONS BEGINNING</u> <u>OF MONTH</u>	<u>TONS RECEIVED</u> <u>DURING MONTH</u>	<u>TONS CONSUMED</u> <u>DURING MONTH</u>	<u>BALANCE END</u> <u>OF MONTH</u>	<u>NUMBER OF</u> <u>DAYS OF SUPPLY</u>
	<u>TONS</u>	<u>TONS</u>	<u>TONS</u>	<u>TONS</u>	<u>DAYS</u>
Jan-00	1,507,207	961,302	1,055,920	1,412,589	35
Feb-00	1,412,589	949,523	954,655	1,407,457	35
Mar-00	1,407,457	1,082,844	935,783	1,554,518	38
Apr-00	1,554,518	949,468	802,626	1,701,360	42
May-00	1,701,360	1,078,451	908,198	1,871,613	46
Jun-00	1,871,613	974,430	1,054,679	1,791,364	44
Jul-00	1,791,364	770,580 (1)	1,093,204	1,468,740	36
Aug-00	1,468,740	1,031,641	1,095,922	1,404,459	35
Sep-00	1,404,459	935,144	932,669	1,406,934	35
Oct-00	1,406,934	914,336	871,037	1,450,233	36
Nov-00	1,450,233	959,112	957,102	1,452,243	36
Dec-00	1,452,243	867,189	1,157,994	1,161,438	29

(1) - Includes an aerial survey inventory adjustment - reduction of 87,060 tons.

AUDIT EXHIBIT E

CAROLINA POWER & LIGHT COMPANY
TOTAL BURNED COST (FOSSIL AND NUCLEAR)*
JANUARY 2000 - DECEMBER 2000

MONTH	COAL	OIL	GAS	EMISSION ALLOWANCES	NUCLEAR	TOTAL BURNED COST
	\$	\$	\$	\$	\$	\$
Jan-00	43,267,581	1,413,939	100,974	2,489,756	9,973,846	57,246,096
Feb-00	39,882,910	748,455	215,640	2,316,898	9,027,762	52,191,665
Mar-00	39,367,800	390,728	73,724	2,191,719	8,034,307	50,058,278
Apr-00	33,150,402	292,930	215,020	1,776,708	8,212,748	43,647,808
May-00	37,958,126	2,349,989	2,493,610	2,123,930	8,635,674	53,561,329
Jun-00	44,235,190	3,471,197	5,233,515	2,228,453	8,967,495	64,135,850
Jul-00	46,043,488	2,158,477	7,219,187	2,198,596	9,651,289	67,271,037
Aug-00	48,059,135	3,723,933	6,530,078	2,309,796	9,673,928	70,296,870
Sep-00	39,554,560	1,753,070	3,059,008	1,921,082	8,849,873	55,137,593
Oct-00	36,477,239	538,328	1,094,916	1,822,007	9,647,097	49,579,587
Nov-00	39,528,746	1,528,267	2,285,291	1,998,337	9,399,443	54,740,084
Dec-00	48,098,446	5,896,009	1,959,885	2,817,946	9,714,015	68,486,301
TOTALS	495,623,623	24,265,322	30,480,848	26,195,228	109,787,477	686,352,498

* Includes Emission Allowances

AUDIT EXHIBIT F

CAROLINA POWER & LIGHT COMPANY
COST OF FUEL
JANUARY 2000 - DECEMBER 2000

<u>MONTH</u>	<u>COST OF FUEL</u> <u>BURNED</u>	<u>PURCHASE AND</u> <u>INTERCHANGE</u> <u>POWER FUEL</u> <u>COSTS</u>	<u>FUEL COST</u> <u>RECOVERED</u> <u>INTERSYSTEM</u> <u>SALES</u>	<u>TOTAL NET</u> <u>FUEL COST</u>
	\$	\$	\$	\$
Jan-00	57,246,096	9,013,320	(10,339,972)	55,919,444
Feb-00	52,191,665	5,935,775	(8,621,574)	49,505,866
Mar-00	50,058,278	6,132,881	(10,442,940)	45,748,219
Apr-00	43,647,808	4,788,485	(6,584,413)	41,851,880
May-00	53,561,329	12,008,996	(8,653,127)	56,917,198
Jun-00	64,135,850	15,797,815	(14,161,240)	65,772,425
Jul-00	67,271,037	13,391,981	(12,518,341)	68,144,677
Aug-00	70,296,870	15,212,681	(11,388,356)	74,121,195
Sep-00	55,137,593	9,544,739	(9,835,484)	54,846,848
Oct-00	49,579,587	6,298,159	(11,090,991)	44,786,755
Nov-00	54,740,084	6,245,136	(11,056,077)	49,929,143
Dec-00	68,486,301	13,798,293	(13,037,029)	69,247,565
Totals	686,352,498	118,168,261	(127,729,544)	676,791,215

CAROLINA POWER & LIGHT COMPANY
S.C. FUEL COSTS COMPUTATION
JANUARY 2000 - MARCH 2001

	ACTUAL				
	January 2000	February 2000	March 2000	April 2000	May 2000
Fossil Fuel	47,272,250	43,163,903	42,023,971	35,435,060	44,925,655
Nuclear Fuel	9,973,846	9,027,762	8,034,307	8,212,748	8,635,674
Purchased Power (2)	9,013,320	5,935,775	6,132,881	4,788,485	12,008,996
Sub-total	66,259,416	58,127,440	56,191,159	48,436,293	65,570,325
Less: Intersystem Sales	10,339,972	8,621,574	10,442,940	6,584,413	8,653,127
Net Fuel Costs	55,919,444	49,505,866	45,748,219	41,851,880	56,917,198
Total System KWH Sales	4,123,103,412	4,349,411,042	3,606,581,802	3,391,387,259	3,702,079,945
\$/KWH	0.01356	0.01138	0.01268	0.01234	0.01537
Less: Base	0.01122	0.01122	0.01122	0.01265	0.01265
Fuel Adjustment/KWH	0.00234	0.00016	0.00146	(0.00031)	0.00272
S.C. KWH Sales	647,155,879	577,421,246	556,542,728	505,552,484	543,867,224
Deferred Fuel Entry	1,514,345	92,387	(9,187,448) (3)	(156,721)	1,479,319
December 1999 - (1)	17,967,157				1,454,699
Cumulative (Over)/Under Recovery	19,481,502	19,573,889	10,386,441	10,229,720	11,709,039
					13,163,738

Note:

(1) Staff's cumulative under-recovery balance brought forward from December 1999 of \$17,967,157 differs from the Company's beginning cumulative under-recovery balance from December 1999. This beginning cumulative difference is based on Staff's corrections from the last fuel review period. It should be noted that the Company, in its testimony, includes an applicable adjustment of \$3,354,151 in its March 2000 adjustments of \$13,354,151 to March 2000's monthly deferred fuel entry.

(2) Staff's Purchased Power figures for January 2000, March 2000 through May 2000, and October 2000 through December 2000 and the resultant (over)/under-recovery monthly amounts for January 2000 (February 2000 was a rounding difference), March through May 2000, November 2000 and December 2000 differs from the Company's figures. Staff's figures reflect calculation adjustments made to Purchased Power Costs for January 2000 through December 2000, per Staff's report. As a result, on a S.C. jurisdictional basis, the difference between the Company's and the Staff's cumulative under-recovery balances as of actual December 2000 is \$387,165, and the difference as of estimated March 2001 is \$387,166 (the difference between the respective cumulative differences is based on rounding).

(3) The over-recovery for March 2000 consists of March's under-recovery amount of \$812,552 and a Company adjustment for a PSC Commission-approved write-off of \$(10,000,000).

(4) The under-recovery for November 2000 consists of November's under-recovery amount of \$918,855, and a Company adjustment of \$35,434, which corrected some Intersystem Sales figures (in Jan.2000-Oct.2000) that had been reflected twice.

CAROLINA POWER & LIGHT COMPANY
S.C. FUEL COSTS COMPUTATION
JANUARY 2000 - MARCH 2001

	ACTUAL					ESTIMATED		
	July 2000	August 2000	September 2000	October 2000	November 2000	December 2000	January 2001	February 2001 March 2001
Fossil Fuel	57,619,748	60,622,942	46,287,720	39,932,490	45,340,641	58,772,286		
Nuclear Fuel	9,651,289	9,673,928	8,849,873	9,647,097	9,399,443	9,714,015		
Purchased Power (2)	13,391,981	15,212,681	9,544,739	6,298,159	6,245,136	13,798,293		
Subtotal	80,663,018	85,509,551	64,682,332	55,877,746	60,985,220	82,284,594		
Less: Intersystem Sales	12,518,341	11,388,356	9,835,484	11,090,991	11,056,077	13,037,029		
Net Fuel Costs	68,144,677	74,121,195	54,846,848	44,786,755	49,929,143	69,247,565	54,463,300	49,969,100
Total System KWH Sales	4,653,894,386	4,680,917,129	4,416,943,087	3,926,110,555	3,458,488,967	4,393,517,448	4,344,345,000	4,140,256,000
\$/KWH	0.01464	0.01583	0.01242	0.01141	0.01444	0.01576	0.01254	0.01207
Less: Base	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265
Fuel Adjustment/KWH	0.00199	0.00318	(0.00023)	(0.00124)	0.00179	0.00311	(0.00011)	(0.00058)
S.C. KWH Sales	666,275,816	681,117,368	644,829,538	568,940,627	513,326,853	601,736,005	670,998,000	600,059,000
Deferred Fuel Entry	1,325,889	2,165,953	(148,311)	(705,486)	954,289	1,871,399	(73,810)	(348,034)
June 2000 - (p. 1 of 2)	13,163,738							(225,990)
Cumulative (Over)/Under Recovery	14,489,627	16,655,580	16,507,269	15,801,783	16,756,072	18,627,471	18,553,661	18,205,627
								17,979,637

(Explanations for Notes (2) and (4) are on Page 1 of 2.)